SURFACE TRANSPORTATION BOARD

STB Docket No. MC-F-20979

LAIDLAW INC.-MOTOR PASSENGER INTRA-CORPORATE FAMILY TRANSACTION EXEMPTION-VICTORIA TOURS LIMITED

Decided: April 3, 2001

On March 27, 2001, Laidlaw Inc. (Laidlaw), a noncarrier that indirectly controls several motor passenger carriers, filed a verified notice of exemption under the Board's class exemption procedure at 49 CFR 1182.9 to continue in indirect control of Victoria Tours Limited (Victoria), upon Victoria's becoming a regulated motor passenger carrier. The transaction was expected to be consummated on or after April 3, 2001 (7 days after the notice was filed, which would have been the effective date of the exemption for a qualifying transaction).

The Board exempted intra-corporate family transactions of motor carriers of passengers that do not result in significant operational changes, adverse changes in service levels, or a change in the competitive balance with carriers outside the corporate family in <u>Class Exemption for Motor Passenger Intra-Corporate Family Transactions</u>, STB Finance Docket No. 33685 (STB served Feb. 18, 2000). The transaction described by Laidlaw does not qualify for the class exemption because it is not a transaction within the corporate family, but is instead an indirect acquisition of control over new operating authority by Laidlaw upon Victoria's becoming a carrier. The transaction (the continuance in control by a person that is not a carrier, but that controls any number of carriers, of an entity that acquires operating authority, thereby becoming a carrier) requires Board approval under 49 U.S.C. 14303(a)(5), but the class exemption does not apply to it. Therefore, the notice of exemption will be rejected.

This action will not significantly affect either the quality of the human environment or the conservation of energy resources.

It is ordered:

1. Laidlaw's notice of exemption is rejected.

¹ Laidlaw provides a list of 22 motor carriers of passengers currently under its indirect control.

² The notice states that Victoria has filed an Application for Motor Passenger Carrier Operating Authority, Form OP-1(P), with the Federal Motor Carrier Safety Administration.

2. The decision is effective on its service date.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams Secretary